

21. Fiscal year closeout procedures

The below procedures provide overall guidance for year end close out and will be revised annually.

FY 2004 CLOSEOUT INSTRUCTIONS

PURPOSE: These instructions are designed to assist the WINS, FPD, etc. system users with comprehensive guidance on the closing procedures and processes necessary to ensure a smooth and accurate fiscal year end closing. Each section of this document is shown by category for ease of research and comprehension. Please note that these instructions are in addition to any closing instructions provided to you by Headquarters. **Questions on any section of this instructional guide should be directed to the POC listed on Attachment II. The POCs are knowledgeable on the topics noted by their name. Attachment I incorporates pertinent timelines that are crucial to successful yearend closing. This guide in general pertains to funding for Operational Expenditures (OE) and Reserve Training (RT) only. Invoice payment procedures for expiring AC&I funds are addressed in Section III, Item K.**

SECTION I

REPORT REVIEW AND SUBMISSION:

- (A) PES Report – Program Element Status Report must be reviewed and scrubbed for determination of cancellation or execution of open obligations and/or commitments. PES errors over \$1,000 as of 31 August 2004 must be reconciled and forwarded to FINCEN by 10 September 2004.
- (B) FPD Error Transaction Report – review this report daily to ensure transactions are processed timely and correctly.
- (C) Inventory Cycle Count Report – this inventory (Industrial Units) should take place prior to the end of September with losses noted.
- (D) Year-end Certification Reports – instructions below are in addition to HQ reporting requirements outlined in message COMDT COGARD (CG-83) R 221723Z JUL 04. Note instructions below:

(1) By 1 October, ATU COMMANDS (DISTRICTS/MLCS/HQ UNITS) submit year-end reports via message to COGARD FINCEN CHESAPEAKE VA/OG/FF//, Fax (757-523-6024) or E-mail to address below:

MWALTERS@FINCEN.USCG.MIL and copy to JCOSTON@FINCEN.USCG.MIL.

Also provide copy of e-mail/msg/fax to your AFC managers. Listing of **AFC managers** are as follows:

STAFF NAME

AFC 30	CG-832	LCDR P. MCELLIGATT
AFC 41	G-S	LCDR ERICH KLEIN
AFC 42	CG-6R	LT MIKE SCHOONOVER
AFC 43, 45	G-S	LCDR MATT MCDONALD
AFC 56	G-W	LENORA ROBERTS
AFC 57	G-W	LT PAUL TURNER

NOTE: Year-end certification report instructions are in addition to HQ reporting requirements.

- (2) For ATUs reporting FY04 OE and FY04 RT funds, specify the following:

30 SEP 2004- TOTAL ALLOTMENT/PLAN AMT
30 SEP 2004- TOTAL OBLIGATED AMT
30 SEP 2004- UNOBLIGATED BALANCE

Submit a report for each AFC and a consolidated one for the ATU (all OE AFCs). Please provide an OE and RT accounting line to be used by FINCEN to record any pipeline obligations, i.e. 2/R/Approp/Lim/AFC/0/PE/Cost Center/Object Class.

NOTE: A spreadsheet is available for use in submitting year-end reports to the FINCEN. Contact Mr. Stephen Johnson at 757-523-6055 or send e-mail to:

SJOHNSON@FINCEN.USCG.MIL

NOTE: HQ AFC managers shall hold funds for antecedent liabilities for all AFCs except for AFC-43. Field ATUS holding AFC-43 funds for antecedent liabilities and HQ AFC managers should report these reserved funds in the 30 September unobligated balance line with a footnote citing that these remaining funds are being held for antecedent liabilities. The report must also contain the following statement:

“The year end obligation amount reported represents legal obligations of the USCG as of 30 September 2004.” HQ Offices, ATU’s and units must maintain appropriate documentation to support year-end certification reports filed with the FINCEN. DHS IG will audit the CG’s year-end pipeline. The pipeline is defined as legal obligations executed on or before 30 September that are not recorded in the accounting system when the books are closed for the FY. Backup documentation is to be kept locally and be immediately available if the DHS IG auditors visit your location.

- (3) All units with capitalized personal property shall prepare a certification letter for all categories of capitalized personal property no later than 13 August 2004 per message COMDT COGARD (CG-83) R 221732Z JUL 04. The Certification Letter shall be mailed to FINCEN (FR) and may be faxed to 757-523-6717.
General purpose property, vehicles, boats, stand alone electronics, and test equipment purchased since 1 October 2003 are now capitalized at \$50,000. Items purchased prior to 1 October 2003 remain capitalized at \$25,000. A separate letter is not required for each category. The CO/OIC of the unit shall sign the letter certifying the physical inventory has been completed and that all items were verified against Oracle FAM and are accurate as of 1 August 2004. All discrepancies on capitalized items should be resolved before year-end. The last day any changes can be made to Oracle FAM for FY 04 is 21 September 2004.
- (4) Units should expect two PES reports at fiscal year end. The first report will be dated 25 September 2004 and will contain all transactions posted in the accounting system through 23 September 2004. The next PES report will be dated 2 October 2004 and will contain both FY 04 and FY05 transactions posted on 1 October 2004 and 2 October 2004.

SECTION II**COMMITMENTS:**

As of 23 September 2004, open commitments will be **systematically “de-committed” or reversed**. All commitments must be converted to obligations by 22 September 2004 in order to remain valid. It is the unit's responsibility to contact the appropriate contracting officer to ensure a negotiated contract/agreement is in place (obligated) prior to fiscal year-end.

OBLIGATIONS:

Every effort should be made to post obligations before 23 September 2004. Any outstanding invoices should be tracked and submitted to FINCEN as soon as possible, thus clearing outstanding obligations. As for remaining open items, it is the field offices' responsibility to make contact with vendors or be somewhat confident that invoices will be forthcoming in the following month/s.

- (A) DOC TYPE (11 or 13) **Travel** – deferred travel or travel that crosses fiscal years should be recorded as below:

Example of travel that started in FY03 and ended in FY04

	<u>FY03</u>	<u>FY04</u>
Airfare	\$200	0 (post to fiscal year in which travel began)
Parking	\$20	\$20 (post to fiscal year charges were incurred)
Hotel	\$300	\$100 (post to fiscal year charges were incurred)
Per Diem	\$80	\$80 (post to fiscal year charges were incurred)
Rental Car	\$150	\$90 (post to fiscal year charges were incurred)
Gas	0	\$21 (paid when rental car is turned in)

The following procedures are to be followed for processing travel claims that cross fiscal years: If travel starts in FY04 and crosses over to FY05, submit travel claim using FY04 TONO/Accounting. Actions are taken during processing to account for the fiscal year crossover. When travel starts in FY04, there is NO requirement to obtain a FY05 TONO/Accounting data for travel that crosses fiscal years. If travel starts in FY05, then an FY05 TONO/Accounting data will be required. These procedures apply to all TDY claims submitted via UTS, FAX or the US Postal Service.

- (B) DOC TYPE (30) **TRAINING** – A class beginning on 29 September is chargeable to FY04 funds whereas a class starting on 1 October may also be charged to FY04 funds if the following conditions are met:

- (a) A valid need for training has been realized
- (b) Scheduling of the course is beyond the agency's control
- (c) The delay between the obligation and the start of the training is not excessive
- (d) Advance payment is required and obligation must be processed prior to FY end to secure space or discount

If the above conditions are not met and the training starts on or after 1 October, FY05 funds should be charged.

- (C) DOC TYPE (32) **PURCHASE CARD** – Purchase card purchases will be charged to the FY on the date that items or services are ordered. If FY04 funds are to be used for purchases, ensure that the order date for items or services takes place prior to 1 October. Purchase card transactions appearing on your PES report that reflect other than the FY of the order date, will require PES correction. FINCEN will only correct purchase card expenditures for purchases ordered prior to 1 October that are recorded to FY05 funds in error. Use PES correction forms to request transfer of these charges to the prior FY04. A copy of the

dated vendor documentation must support this correction form. The documentation must state that the purchase was ordered prior to 1 October 2004. If vendor documentation is not available, the order log, with signed certification stating that the order was placed on or before 30 September 2004, may be used in lieu of vendor documentation.

- (D) DOC TYPE (26 & 38) BPAS - *if* your office has BPAs that will expire at the end of the current FY and you plan to obtain supplies or services under these BPAs in the new fiscal year, it is essential to have a new BPA issued with a new FY05 accounting line. Please submit copies ASAP by mail to FINCEN (Attn: Team 4B) or fax to (757) 523-6906. Units will transmit via FPD.
- (E) DOC TYPE (44, 45, 46, 49) **UTILITIES** - utility costs are charged to the fiscal year in which the meter is read or the service period ends. If the meter is read on 1 October 2004 or later, then FY05 funds will be charged. Likewise, telephone service that ends on or after 1 October 2004 will be charged to FY05. In addition, the recurring charge master (RCM) will automatically establish a new FY05 line of accounting based upon the FY04 line of accounting as of 23 September 2004. Units should review their RCM report from the FINCEN web page at <http://cgweb.fincen.uscg.mil/Rcmleases/> and report any accounting line corrections by 9 September 2004. Corrections can be emailed via this RCM report web site.
- (F) DOC TYPE (23) **PURCHASE ORDERS** – services or supplies ordered or received in FY04 or prior FYs for which a confirmation purchase order was not prepared until FY05 are chargeable to the FY in which the services or supplies were ordered. Purchase/delivery orders issued for fixed price service agreements, janitorial service, cable TV and delivery orders placed with OGA/GSA are document type 23s except when the contracting officer requires approval of the invoice before payment. If the contracting officer requires such approval, then use document type 24 with block 21 directing the invoice to the contracting office. Any new purchase orders issued for cable TV must cite a non-standard number in block 4 comprised of 2305 plus the last 9 digits of the account number used by the vendor on their invoice. The standard HSCG number with P in the ninth position will be cited in block 3 of the cable purchase order.

SECTION III

INVOICE/VOUCHER PROCESSING:

- (A) Review vendor invoices and encourage vendors to bill separate accounts on separate invoices
- (B) Ensure each invoice is dated for PPA (Prompt Payment Act) calculations
- (C) Return improper invoices to vendor within 7 days
- (D) Ensure vendor invoices are for the same goods or services outlined in the obligation document. Contact vendor and/or contracting officer if discrepancies occur.
- (E) Certify date and receipt of goods or services promptly.
- (F) Indicate partial or final receipt
- (G) Immediately submit proper invoice through WINS
- (H) Clear any charge disputes promptly
- (I) Remind vendors of Central Contractor Registration requirements
- (J) Ensure freight charges exceeding \$100.00 contain proper documentation
- (K) Invoices citing canceled appropriations for FY99 (9F, 9L, 901, 9C, 92, 9A) must be received at FINCEN to ensure payments can be made by the 21 September 2004 cutoff without losing the funding. Canceled appropriations for FY99 will be purged from the accounting system during the FY04 year-end process and FY05 funds must be used to pay the invoices, if not received by the deadline.
- (A) Receipts must be transmitted to the FINCEN by 22 September 2004 to ensure they are recorded in a timely manner.